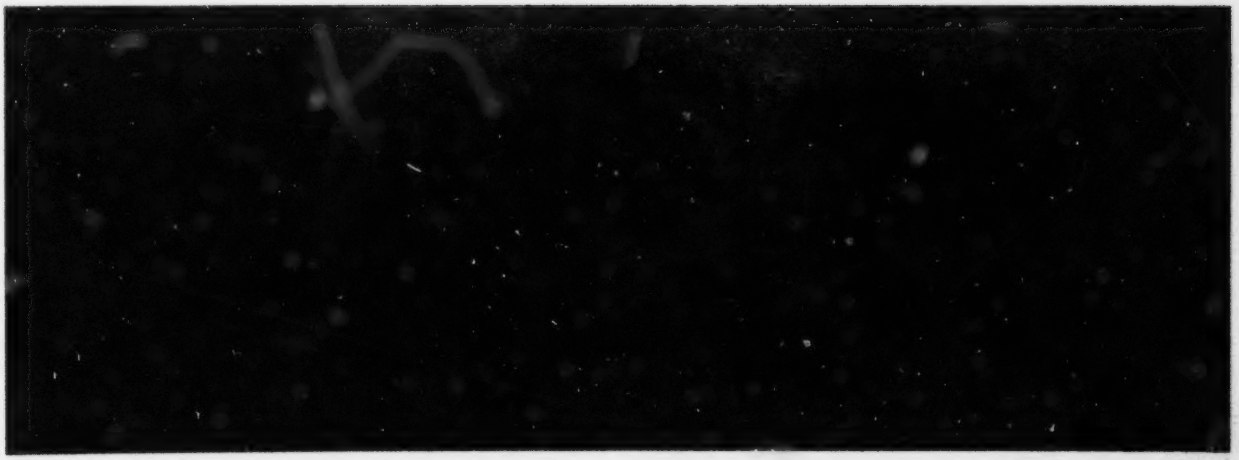
SUBMISSION TO THE PARLIAMENTARY SPECIAL JOINT COMMITTEE ON CANADA'S INTERNATIONAL RELATIONS: THE CANADIAN LABOUR CONGRESS RESPONSE TO THE GREEN PAPER

opeiu 225

November 28, 1985



A CANADIAN LABOUR RESPONSE TO THE GREEN PAPER:

COMPETITIVENESS AND SECURITY

opeiu 225

November 28, 1985

TABLE OF CONTENTS

1. The CLC and its international connections

2. The CLC and Parliamentary hearings

3. The interdependence of the issues

4. CLC conventions and foreign policy

5. Multilateralism and Today's World

6. Peace, Security and Disarmament

7. Strategic Defence, the U.S. and Free Trade

8. The International Economic System

9. The Regions

10. Interdependence and public involvement

1. THE CLC AND ITS INTERNATIONAL CONNECTIONS

The Canadian Labour Congress devotes a major part of its efforts to matters of national importance. In each of the ten provinces and two territories there is a Federation of Labour chartered by the CLC. These are composed of locals of CLC affiliated unions and they devote their attention to matters that normally fall within provincial or territorial jurisdiction.

In the same way there are, in about 120 communities across Canada, Labour Councils created by unions in the community and devoting their primary attention to matters of concern to their own area.

The Canadian Labour Congress came into being in 1956 as a result of a merger between two previously established national groups - the Trades and Labor Congress of Canada and the Canadian Congress of Labour.

The CLC is, in a sense, a "union of unions". It is primarily a service organization and is composed of approximately 90 national and international unions. Organized as a voluntary federation, it is supported by these organizations as a means of working together on matters of common interest. The various affiliated unions finance the CLC through dues based on the size of their membership.

Every second year the CLC holds a national convention and these gatherings have frequently been refered to as "The Parliament of Canadian Labour". Some 2,500 delegates attend and they devote most of their time to discussing resolutions which determine the policy to be followed by the CLC in the next two years. Every local union is entitled to submit resolutions for consideration by the convention and to send at least one delegate.

The matters discussed at these conventions cover a wide variety of subjects.

The subjects covered illustrate the scope of interest of the Canadian labour movement under today's conditions. They include: the economic situation, regional economic development, housing, various forms of social legislation, labour legislation, adjustment to automation, air and water pollution, immigration, broadcasting, consumer affairs, the plight of Indians, Inuit and Metis, and international affairs.

The labour movement has always been international in inspiration. This arises not only from the feelings of solidarity and fraternity among the wage and salary earners of all nations and races, but also as a result of practical necessity. Unless all workers everywhere have job security, decent working conditions and just wages, the status of each individual worker is not secure.

Canadian workers, have been extremely active on the international scene. One reason for this interest stems from the existence of international unions in Canada - trade union organizations with membership both in Canada and the United States. The success of this form of trade unionism in dealing with international employers has convinced Canadian workers that international co-operation is important. This tradition has been endorsed and enhanced by our national unions, which are now vigorous on the world scene. Then there is the great variety of nationalities that make up the Canadian mosaic, reducing the danger of racial or national prejudices. A further reason lies in the close ties between the Canadian labour movement and those of other Commonwealth countries.

For all these reasons the Canadian Labour Congress, as well as its predecessor bodies, has a rich background of active participation in international affairs. It has become a tradition with the CLC to involve its members in programs on world issues. This concern is also apparent in its constitution which commits the CLC to promote the cause of peace and freedom in the world, assist and co-operate with free and democratic labour movements everywhere, combat corruption and totalitarian ideologies "wherever they may be found" and work toward the elimination of tyranny, oppression, exploitation, hunger and fear.

In proportion to its membership, the CLC has made very substantial contributions to international co-operation. Because of its position as a medium "power" in the world labour movement and

because it has not been content simply to echo the foreign policies of its government, its views are listened to with respect and interest. Canadian labour has no special axe to grind; Canada is not one of the super powers and the CLC's position toward the developing countries is based on a genuine desire to help. The CLC, because it is composed of English and French-speaking members, can communicate quite freely with the millions of workers in the developing countries who speak either of these languages.

The CLC's motives for wanting to help workers of other countries are varied: First and foremost is the tradition of solidarity among workers which knows no national boundaries. Secondly there is the enlightened self-interest which says that a democratic labour movement, free from interference by governments or other outside interests, is the best guarantee for a better world to live in and the best protection against the dangers of totalitarianism and dictatorship, be it of the fascist, military, racist or communist type. And, finally, the CLC is convinced that economic disparities in the world must be evened out if civilization is to survive.

There are numerous ways in which the CLC puts its convictions into practice.

The international activities of the Congress are coordinated through the CLC International Affairs Department whose duties include promoting a greater understanding of world affairs through information and education programs, and ensuring maximum

participation of CLC affiliates in the activities of the free trade union movement throughout the world.

Canadian labour's main link with the outside world is the International Confederation of Free Trade Unions. The ICFTU, with its almost 90 million members and 141 affiliates in close to 100 countries, is the only free international trade union organization representing workers on all continents in all industries and crafts. The CLC, and its predecessors, has been among its most active affiliates ever since its inception in 1949.

At its foundation, the ICFTU issued what has come to be known as the Bread, Peace and Freedom Manifesto.

BREAD

The task before us is to mobilize the tools of abundance possessed by the industrially advanced nations of the world to assure full employment, security against want, old age and sickness and to provide ever-rising standards of living and a richer and fuller life for peoples everywhere.

PEACE

A movement of free and democratic peoples - united in a common effort to achieve economic security, social justice and political freedom - is the only basis on which lasting peace can be established.

FREEDOM

Unite with us to achieve a world in which people are free from the tyranny of totalitarianism, as well as from the domination and exploitation of concentrated economic power in the hands of cartels and monopolies.

The Manifesto defined the essential freedoms of thought, speech and assembly, together with the right of workers to organize in trade unions, to bargain collectively and to strike. The right to determine, or change by democratic means, political, social and economic institutions is also an essential freedom and must be granted to those peoples who do not yet possess it.

The ICFTU, together with its affiliated organizations across the world, has been fighting an ongoing battle to achieve these objectives.

Closely associated with the ICFTU are the International Trade Secretariats. These are autonomous federations of country based unions operating in specific or related trades or industries and joined together on a world-wide scale. One of their main tasks is to represent collectively the interests of the workers in the industries under their jurisdiction. Many affiliates of the CLC are also members of their respective ITS.

The CLC is also promoting trade unionism within the Commonwealth countries, through the Commonwealth Trade Union Council, which aims to enhance co-operation between its member organizations representing 30 million workers.

In addition, the CLC is a member of the Trade Union Advisory Committee of the Organization of Economic Co-operation and Development (TUAC-OECD). TUAC puts forward the views of the trade unions on the many different topics which are discussed by the OECD.

Another body in which the CLC plays an extremely active role is the International Labour Organization. The ILO, an agency of the United Nations, was founded in 1919. It has survived for these many years because of its unique form of organization - it is tripartite, with representation from national governments, employers and workers - and because of the steady drive it has made toward a solution of the economic and social problems that confront working people throughout the world.

As time goes on and distances seem to shorten, the workers of the world will become increasingly conscious of their common interests and of the importance of working together for a better world, and this is of significance to all Canadians.

2. THE CLC AND PARLIAMENTARY HEARINGS

The Canadian Labour Congress thanks the Parliament of Canada for the opportunity to put its views on issues of great moment directly before the members of the Special Committee.

This is not the first time we have appeared before such a body to discuss aspects of the conduct of Canada's international relations.

In February 1976, the CLC presented a brief to the Sub-Committee on International Development of the Standing Committee on External Affairs and National Defence. We emphasized that any development assistance or trade reform which seeks to avoid the opposition of the CLC had to be "people oriented". It had to increase the well-being of the population as a whole, and it had to protect newly industrialized workers, not exploit them.

On this understanding, the CLC expressed its conviction that "preparations should now be made to facilitate a necessary adjustment of our economy". We proposed to the Sub-Committee that a committee representing the major government departments, industry and organized labour be set up to consider domestic adjustments, commissioning a program of studies of the prior implementation of adjustment assistance in Canada, especially the General Adjustment Assistance Program, the main General Incentive Programs and the Textile Policy.

The Sub-Committee, in its first report, referred to this CLC proposal as logical and attractive, but nothing was heard from the Government of Canada on the matter.

In October 1980, a statement by the Canadian Labour Congress was delivered to the Parliament of Canada on the Implementation of the Provisions of the Helsinki Final Act. A special parliamentary committee was conducting public hearings in preparation for Canada's official policy in the Madrid meeting to review progress since Helsinki in 1975.

The Canadian Labour Congress stressed the importance which it attached, and continues to attach, to trade union rights as a basic element and cornerstone of human rights. At the Conference in Madrid to review the implementation of the Final Act of the Conference on Security and Co-operation in Europe, we said then, the participating states must examine the way in which signatory states have treated those workers who have attempted to set up free and independent trade unions.

We emphasized to the participating parliamentarians that under Basket III of the Helsinki Final Act, the signatories had pledged to ensure that certain basic human rights are accepted in their countries. As one part of this, the signatories have reaffirmed that they will act in accordance with the Universal Declaration of Human Rights of the United Nations. This Declaration in articles 23 and 24 guarantees the rights of labour. The right of

free choice of employment, the right of fair remuneration and the right to form trade unions are guaranteed.

The rights guaranteed in the Universal Declaration of Human Rights together with the rights guaranteed under the Conventions of the International Labour Organization signed by the parties to the C.S.C.E. form a statement of the basic human rights which must be provided to all workers. The rights of labour and trade unionists are an integral part of the rights provided by the Helsinki Final Act and, we insisted, must be considered by the Madrid Conference in its examination of the compliance of the signatories with the articles of the Final Act.

The concluding documents from Madrid set out unequivocally the importance of trade union rights as part of the C.S.C.E. commitment to human rights, an achievement due in large measure to the lobbying efforts of Poland's "Solidarity" trade union movement.

The situation of the workers in Poland dominated Canadian and other newspapers during July and August of the year of our pre-Madrid brief. The Polish government had, on July 1, 1980, increased the price of meat and this triggered off strikes by the workers for higher wages. Very quickly the demands of the strikers for increased wages became demands for more freedom, especially the demand for the right to form free trade unions. The official trade unions did not represent the workers but were in fact seen to be organs of the Polish government. The strikes spread in Poland and

the Inter-factory Strike Committee at the Lenin Shipyards in Gdansk negotiated with the government. Under pressure from the workers, the government granted recognition of the right of workers to form their own trade unions. Out of the Inter-factory Strike Committee grew Solidarity, the overseas representative of which was in Ottawa in May of this year to meet Prime Minister Mulroney and discuss trade union rights and the Helsinki process.

As important as the emergence of Solidarity was in the fall of 1980, the report of the Parliamentary Committee, written in the hope of influencing, if not determining government policy, contained no mention of the words "trade union".

Two pitches, two strikes. It is the hope of the Canadian Labour Congress that this current special parliamentary committee will take very seriously, and reflect in advice to the Government of Canada, the considered thoughts of organized labour on Canada's competetiveness security, and other equally important aspects of our international relations.

3. INTERDEPENDENCE AND THE ISSUES

The government's Green Paper, the primary focus for these parliamentary hearings, emphasizes the interdependence which Canada must recognize in pursuing its international relations. We find little fault with the Paper's contention that "Our economic interests require us to be competitive; we must trade if we are to prosper. Our security interests demand that we play our part in Western defence and in arms control and disarmament. Our values dictate that we help the poor, the hungry and the politically abused".

Indeed we must do these things, but out of concern for our prosperity and security every bit as much as out of a sense of global social justice.

As the International Labour Organization enunciated in its 1944 Philadelphia Charter, poverty anywhere constitutes a danger to prosperity everywhere.

It has been our profound understanding and conviction that only when working people everywhere enjoy job security, decent conditions of work, fair wages and basic human rights will we have a world free from poverty, injustice and repression, a world where the siren songs of extremism and totalitarianism will be listened to by no-one.

The Canadian Labour Congress is thus very well aware of the reality of interdependence, of mutuality of interest.

This forces us to see the world differently from those who defend single causes or promote narrow interests, from those who see the world solely on the basis of a conflict between East and West or those who focus attention only on the dialogue, or lack of it, between North and South.

We have appeared before Parliament to discuss this disparity of wealth between rich and poor countries, as well as disparities within those countries. We have talked to Parliament about the human rights, in East and West, of those who advocate and work for change.

With our commitment to interdependence it should come as no surprise, therefore, that in this current brief to a Parliamentary Committee, we will give considerable emphasis to a third major dimension, the need and prospects for peace, particularly among the nuclear nations.

This has certainly been uppermost for many years in the minds of those delegates, men and women from all over Canada, who meet at the biennial CLC Convention to frame the policies of our labour movement.

4. THE CLC CONVENTIONS AND FOREIGN POLICY

Some 1,620 delegates registered at our Founding Convention, which took place at the Coliseum in Toronto's Exhibition Park in 1956.

A reading of the Convention's statement on foreign policy shows that since its founding, the CLC has been serious about directions for Canada's international relations.

FOREIGN POLICY

"The Congress, though regretting that progress in the Disarmament Committee is still so slow, welcomes such progress as there has been, endorses the efforts of the Canadian Government to secure a Disarmament Agreement, and urges the Government to pursue these efforts unrelentingly, in spite of discouragements. It endorses also the efforts of the Western Powers for a re-united Germany, based on genuinely free elections, and free to follow a foreign policy of its own choosing.

It Endorses the call to "the trade union movement in all countries to urge upon their respective Governments the necessity for firm international agreement on the abolition of all stocks of atomic and hydrogen weapons, and on the prohibition of the manufacture and use of such weapons."

With the ICFTU, this Congress "gives its whole support to the establishment of international control to implement this policy," and "calls upon the Government to take the initiative in obtaining agreement to put an end to further tests of atomic weapons."

Pending effective agreement on disarmament in general, and on nuclear weapons in particular, the Congress urges the Canadian Government not to falter or fail in its support of NATO, Western European Union, and other measures of self-protection against aggression. Defence and negotiation must go hand in hand. Neither can safely be jettisoned in favour of the other.

But defence is not simply a matter of guns and planes and bombs, of armies, navies and air forces. It is also a matter of rooting out poverty and exploitation, especially in under-developed countries, where these are most acute.

THE CONGRESS WELCOMES the advent of the first democratically elected Government in Indonesia, the notable progress towards self-government in West Africa, Malaya, Singapore, Tunisia and Morocco, the signs of progress in Kenya, the strengthening of the Colombo Plan, and the promising development of the work of the International Confederation of Free Trade Unions.

It Deplores, however, the timidity and short-sightedness of French policy in Algeria, the white supremacy in South Africa,

the racial discrimination in Canada's own immigration policy, the gradual acceptance of the Franco dictatorship by the Western Powers, and the continued opposition to the admission of Communist China to the United Nations. The Congress also regrets the lack of progress in setting up a United Nations Special Fund for World Economic Development, and the persistent inadequacy of the Canadian contribution to the Colombo Plan, despite the recent small increase.

THE CONGRESS SUPPORTS a policy of maximum trade with the Soviet bloc, within the limits imposed by the necessity of denying weapons and strategic materials to aggressors and potential agressors. Until the Communist bloc countries provide concrete proof that they are not aggressors, the essential strategic controls must be maintained. No such proof has yet been forthcoming.

ON THE CONTRARY, the recent sales of Soviet bloc arms to the Arabs, and Soviet encouragement of Arab threats against Israel, have greatly increased international tensions generally and constitute a grave threat to peace in a critical area of the world. The Congress warmly commends the work of General Burns and the U.N. Truce Commission, and the mission of the U.N. Secretary-General, and urges the Canadian Government to give its fullest support to every effort to maintain the Arab-Israeli Armistice and to establish a just and lasting peace between Israel and the Arab States. The Congress also urges the Government to press for a just solution to the problem of the Arab refugees, and to be ready to pay a substantial contribution to the cost of any satisfactory international plan

for this purpose. The Congress recognizes the very severe economic and social problems, and the legitimate national aspirations, of the Arab peoples. It supports the efforts of Arab workers to free themselves from poverty and exploitation, political or economical, domestic or foreign. It urges much larger measures of international economic aid for the Arab countries. But it is convinced that the disappearance of Israel would be a disaster not only for the Israelis and for the Jewish people throughout the world, but also for the free nations and the peace of the world.

THIS CONVENTION THEREFORE CALLS on our Government to lend sympathetic support to Israel's request for defensive armaments, in order that Israel may match, in quality if not in quantity, the constant flow of Soviet Bloc armaments to the Arab countries, and further appeals to our Government to use its good offices in urging other free Western countries to do likewise.

THIS CONVENTION ALSO GREETS the Histadrut, Israel's Federation of Labour, as the dynamic force in the building of democratic Israel, and recognizes that Histadrut, with its 550,000 members, is now the sole democratic trade union organization in the Middle East, and could, under conditions of peace, help in establishing free trade unionism throughout that troubled area.

THE CONGRESS URGES the Government to raise its contribution to the Colombo Plan and the U.N. Technical Assistance to at least $100,000,000; sends fraternal greetings and assurance of all

possible support in their struggle for freedom to the workers in totalitarian countries; and pledges its full support to the United Nations, the International Labour Organization and the various U.N. technical organizations in their efforts for peace and social progress."

5. MULTILATERALISM AND TODAY'S WORLD

The world of almost thirty years later is still troubled, with some new flashpoints, and some new actors in old ones.

The need for a strong United Nations system is as pronounced as ever, and the CLC remains convinced that Canada's interests are well served by the maintenance of a U.N. system committed to promoting universal respect for the Charter, the Declaration on Human Rights, the Labour Standards of the ILO, and the integrity of this and other agencies of the United Nations.

In 1977, Canada retained its membership in the ILO following the withdrawal of the United States. The approach by Canada was to remain active in the organization and use its influence to secure improvements in the performance of this vital technical agency.

It is the view of the CLC that the Canadian government should do the same with respect to participation in the United Nations Educational Scientific and Cultural Organization. It is clear to all that UNESCO needs to be revitalized and better managed. Otherwise, it cannot hope to stimulate the co-operation of member states necessary for the fulfilment of its important mandate.

The government of Canada should seek the collaboration of non-governmental organisations to bring about a speedy resolution of the difficulties plaguing UNESCO. The CLC is convinced that if all

interested sectors in Canada pull in the same direction, Canada, using the various resources at its disposal, could contribute significantly to the achievement of a solution to UNESCO's problems.

Other agencies of the United Nations system have not achieved the public prominence of UNESCO, and it may be that they are not plagued with the same difficulties. However, it is reasonable to assume that in all of them, there is room for improvement.

Given that the international community needs the most effective performance possible from these agencies, it is timely for the Canadian government to work for agency reform and revitalization now, before the faith of governments in the U.N. system flags even further and a philosophy of rejectionism becomes more widespread.

Only one technical agency, the International Labour Organization, enjoys a structure which, by including labour and business spokesmen, can directly attract public involvement in a manner which can vitiate hostility towards the very idea of multilateralism.

In other parts of the U.N. system, the non-governmental sector enjoys consultative status or provides technical advisors.

The Canadian government should vigorously expand the public's involvement in the U.N. system through the more active inclusion of people from outside government in Canadian delegations.

Canadians do have the expertise to make such a thrust worthwhile beyond the value of strengthening public support for multilateralism. This can be seen from government efforts along these lines in the past.

Multilateralism, exercised along different overlapping planes, is indeed crucial to the promotion of Canada's interests in a secure and prosperous world, and where Canada has taken initiatives, success has usually followed.

This was true of Canada's participation in the Commonwealth, an ideal which the CLC has helped to bring to reality through its creation and utilization of the Commonwealth Trade Union Council. The Commonwealth embodies a spirit of co-operation which is a model for other regional or non-universal associations of States, and Canada should do all in its power to assist regional co-operation, such as exemplified in the intent of the Contadora initiative. Canada cannot bring peace to the conflicts which rage around the world; it can provide assistance to those who try to dampen the fires of conflict in their region.

6. PEACE, SECURITY AND DISARMAMENT

Since the last World War, more than 150 major and armed conflicts have taken place, most of them in developing countries. At the root of these conflicts were evils which Canadian governments long opposed, the legacy of colonialism, racism, naked competition for trade resources, and uncontrolled super power rivalry.

Some regimes have used arms against their own people to stay in power, and the growth of international terrorism increases instability and insecurity, even in our own cities. The disgraceful gap between North and South, industrialized and developing countries, adds its own dimension of danger.

These conflicts have carried the risk of a third, and final, world war through the involvement of the United States and the Soviet Union.

During the First World War, Georges Clemenceau, France's leading statesman and politician, declared that war was too important to be left to generals. Clearly, generals should now feel common cause with citizens in saying that peace is too important to be left to politicians. The pursuit of peace has to involve us all, and it is not redundant to say that all of us, politicians, workers, housewives, generals, have to feel secure.

Furthermore, we have to understand that the pursuit of peace is not inevitably the erosion of security, and security is not just a matter of weaponry and the will to use it.

To get to that point, we need from our politicians those policies which will disarm people in terms of their mental attitudes, and this will require dialogue, not rhetoric, new thinking, not old prejudices.

> "Everything has changed but our mode of reasoning and so we drift toward unparalleled disaster." Albert Einstein, after the explosion of the first atomic bomb in 1945.

> "In spite of the immeasurable importance of nuclear weapons ... we have thus far failed to fashion, or to discover within ourselves, an emotional or intellectual or political response to them." Jonathan Schell, The Fate of the Earth, 1983.

Nuclear weapons confront life on this planet with an unparalleled threat to its very existence in a period when progress to reduce tensions and to promote détente have not overcome serious reversals. The Canadian Labour Congress will not stand by and witness a drift to disaster. We will play our part, and we challenge others to play theirs, especially Canada's parliamentarians.

WHERE WE STAND

Peace is the condition for economic progress and social justice. It must be based on respect for national sovereignty, the elimination of poverty, the exercise of human freedoms, collective security, and disarmament.

Lasting peace is a prerequisite for achieving full employment and income security. Unemployment, hunger and poverty cause tensions and war.

Living in peace means enjoying freedom of thought, freedom of expression, freedom of association and freedom of movement. All nations have the right to full national independence and the oppression of individuals, peoples and nations is a threat to peace.

Peace also means that nations should be able to defend their values, their way of life, their culture, though defence requirements do not under any circumstances justify the arms race and should not be used as a pretext for the forcible occupation of territory.

All nations must rededicate themselves to the principles of the United Nations Charter and promote respect for the U.N. in its efforts to promote these principles. Canada must take the lead in this.

Today peace is in great danger. There are too few signs that either of the super powers are ready to respond to the determined wish of people throughout the world for an easing of tension and a drawing back from the nuclear precipice.

THE ARMS RACE, ARMS INDUSTRY AND TRADE

In 1983, a total of more than 750 billion dollars was spent on military expenditure.

NATO and the Warsaw Pact account for most of it, but other industrialized countries have their share.

A considerable number of developing countries have joined the arms race, and their share is now estimated to be over 15% of global military expenditure as against 8% in 1976.

The development of military technology has an escalating effect on the arms race. The development of new weapons leads to development of similar weapons or systems to counter them in a vicious spiral. Rumours about the development of hideous chemical and biological weapons have reached unprecedented levels. Centres of production have spread over more countries. The continuous expansion of ever more sophisticated conventional weapons itself creates a pressure for their use.

The arms race in recent years has not only been in numbers of weapons but in technological improvements, and more improvements lurk on the horizon.

The full extent of arms sales is unknown. Much of it is cloaked in secrecy but it is absolutely clear that it has increased enormously with the entry of new suppliers and clients on the arms market. In 1983, Canada's exports were worth more than a billion dollars. This does not contribute in any substantial way to competetiveness or security, and the CLC is offended by the practice of the Pentagon coming to Canada to advise our industries on how to participate in the arms trade.

ARMS AND JOBS

Military activities and the manufacture of armaments employ about 60 million people throughout the world. Half of them are in industry, the other half in the armed forces.

A considerable part of military expenditure is devoted to producing arms and equipment requiring major capital investment.

National and international companies have a vested interest in maintaining this production, and often have close access to and great influence over governments and legislatures. The arms lobby must be brought under control. Most military contracts operate on a cost-plus basis so that the contractors are guaranteed a fixed profit on their costs. With little incentive to improve efficiency and cut waste, costs rise. Arms spending is inflationary. The Council on Economic Priorities in the United States has demonstrated a link between high military

spending and low investment in other industrial sectors, which leads to outdated machinery, low productivity, and a decline in international competetiveness. The resources wasted on arms could be devoted to production for peaceful and constructive purposes which would create more jobs than the capital-intensive defence industries.

This requires early planning of measures for conversion and retraining to take full advantage of the potential for creating additional jobs and meeting social needs. In Sweden, the government has tried to prevent arms contracts monopolizing a production facility. A company will normally be prevented from devoting more than 20% of its production to armaments, and grants are given to encourage diversification. Companies have to demonstrate that they have a plan for conversion before any military contract is awarded. Care is also taken to ensure that defence production is spread geographically so that individual communities do not become dependent on military production. Conversion cannot be left to chance; our jobs, and our lives, depend on it. Conversion needs to be integrated in a national, active economic and industrial policy. **The commitment to conversion has to be part of future Canadian arms spending and international disarmament agreements.**

NUCLEAR ARMS

The delivery systems of nuclear weapons are increasingly accurate and the accelerating sophistication of nuclear arms and equipment brings new uncertainties and instability.

Nuclear arms represent an immediate threat to the existence of human life, giving neither peace nor security. New research findings point to the inescapable conclusion that it is vital to move as rapidly as possible to reduce global nuclear arsenals below levels that might well cause climatic catastrophe and cascading biological devastation, and such a reduction would have to be a small percentage of the present strategic arsenals.

> "In almost any realistic case involving nuclear exchanges between the super powers, global environmental changes sufficient to cause an extinction event equal to or more severe than that at the close of the Cretaceous when the dinosaurs and many other species died out, are likely. In that event, the possibility of the extinction of Homo sapiens cannot be excluded". Forty American Biologists, spring 1983.

We need a climate of mutual concern and co-operation, if we are to escape safely from the nuclear trap that the super powers have jointly set for themselves, our civilization, and our species.

THE ILLUSION OF NUCLEAR STRATEGY

The myth that nuclear weapons are for defence must be exposed. By their very nature, they are weapons of mutual destruction.

Their deterrent effect is outweighed by the threat to security associated with the growing number of warheads on both sides, the sophistication of delivery systems and the risk of accidents.

The number of deployed nuclear warheads on systems with ranges greater than 1,000 miles is approximately the same, 11,000, for both super powers. Their nuclear forces are structured in different ways but all of the definitional asymmetries, which hide the basic reality, could be set aside by moving to a simple common ceiling on the total number of warheads, a ceiling now shown by Carl Sagan and others to be crucial at no more than 2,000.

A simple limit on warheads would facilitate the replacement of MIRVs by single-warhead missiles, with a consequential increase in our chances of survival in a nuclear age. As long as the two sides' forces are roughly in balance, no attack against single-warhead missiles is attractive because the attacker cannot improve the balance of forces by striking first.

Reductions in the number of existing weapons address the view that the nuclear arsenals of both sides have grown dangerously and irresponsibly large, but reductions are not as simple as they first look. The wrong kind of reductions could increase instability, not lessen it. This might occur if long-range single-warhead missiles were reduced instead of the MIRVed missiles which carry many warheads, increasing the fears of pre-emptive strikes. The MIRVed missiles are more destabilizing, and should be controlled, reduced, and dismantled, sooner than any other system apart from the Pershing II missiles.

More than any other weapon in NATO's inventory, the Pershing II threatens crisis stability. Its accuracy, speed, and nearness to Soviet targets give it first-strike capability and there is a real danger that in a mounting crisis, these missiles could attract a pre-emptive Soviet strike.

While their deployment might only marginally affect the probability of the outbreak of war in Europe, it substantially increases the probability that such a war would rapidly go nuclear.

The modern, solid-fueled Soviet SS-20s are highly mobile, and also highly threatening. Furthermore, all the targets now covered by them could be easily covered by Moscow's missiles which are also capable of reaching the United States, without seriously depleting this capability.

"All-out nuclear war would mean the destruction of contemporary civilization."
Andrei Sakharov, summer, 1983.

It is a fatal illusion that a limited nuclear war could be fought. The use of medium-range and tactical weapons such as the SS-20, Cruise and Pershing II missiles, would trigger inexorably global nuclear annihilation.

The destructive power of nuclear weapons and the grave risk of rapid escalation to a general nuclear exchange which most likely would result from the first use of theatre nuclear weapons are persuasive arguments for keeping the nuclear threshold in Europe as high as possible. A low level "trip wire" means a high-level risk. Minimizing this must be a goal of Canadian policy, but the fact remains that the best guarantee against nuclear war is to strengthen the barrier not between conventional and nuclear war, but between peace and war.

OBSTACLES TO DISARMAMENT

Governments are aware of the dangers inherent in the arms race but still they have not put a stop to it, clinging as they do to the illusion they can achieve security through increasing nuclear and conventional forces.

Some critics argue that a ceiling on warheads would be impossible to verify adequately, and verification is the most si-

gnificant political obstacle. The key to verifying warhead limits lies in allowing the super powers to count the system that delivers the warheads and estimate the number of warheads each system carries. Both sides would likely agree to count warheads as if each system carried the maximum number physically possible, even if in practice fewer were deployed. The need for trust is actually limited in such an approach. The struggle for economic and political dominance feeds the lack of trust between states and induces them to arm themselves. Further distrust is fed by the build-up of arms.

As long as this attitude prevails, the machinery aimed at promoting security as in the United Nations, or through the Committee on Disarmament, the Conference on Security and Cooperation in Europe, the Vienna talks (MBFR), the SALT process or bilateral negotiations on arms limitation, will never be used effectively.

WHAT CANADA MUST DO

The Canadian government should recognize that the pursuit of peace should have priority over all international political objectives, as important as these remain; and should engage in promoting realistic détente between East and West and the resolution of conflicts through negotiation and agreement.

Canada should demand effective national and international control of the arms trade, and begin with publicizing Canada's part in it.

Canada should voice its concern for the urgent development by national governments and international institutions, especially the U.N. and the I.L.O., of policies of conversion in close cooperation with representative trade union organizations.

The government should promote serious negotiations leading to general disarmament under international control through the U.N. Disarmament Commission, the Disarmament Committee, the MBFR talks and the Conference on Security and Cooperation in Europe **and encourage the conclusion of bilateral agreements between the U.S.A. and the U.S.S.R.** on the reduction, limitation and control of strategic and theatre nuclear weapons. In particular **the speedy withdrawal and termination of production of SS-20 missiles by the** U.S.S.R. **and the abandonment by the U.S.A. of production and deployment of Cruise and Pershing II missiles should be the goals of Canadian policy.**

A middle power such as Canada can contribute to the genuine application of confidence-building measures, particularly those which would create greater openness and

more predictability in military activities in order to reduce the risk of surprise attack, diminish the threat of armed conflict in Europe resulting from misunderstanding and miscalculation, and inhibit the use of force for the purpose of political intimidation.

It can strive for agreement on the creation and progressive enlargement of nuclear-free zones, and here it could begin with Canada.

The work for universal ratification and implementation of the Treaty of Non-Proliferation of Nuclear Weapons, to combat both horizontal and vertical proliferation, must be continued.

We intend to keep a close watch on the official Canadian contribution to international disarmament negotiations and advance our own proposals, and at the same time we will promote education, discussion and the exchange of information on problems of peace, security and disarmament, not only in the labour movement but in Canadian society at large, acting directly and through initiatives such as Project Ploughshares, Operation Dismantle, and the Peace Petition Caravan Campaign.

"When the first atomic bomb exploded in a New Mexico desert in 1945, life itself changed. Never again would children be free

> from fear of the bomb. Never again would we parents be able to reassure them, nor to calm our own anxieties." Prime Minister Trudeau, February 1984.

The Canadian Labour Congress wants to free its members, their families and children, from fear of nuclear devastation, from war itself. We love this planet, and we do not want to witness its destruction.

Now will we acquiesce in its use as home base for any who wish to play Star Wars.

An agreement for both super powers to abandon the development of weapons in space, either for satellite destruction or for ballistic missile defence, would profoundly improve international stability in the coming decades.

> "Our loyalties are to the species and the planet. We speak for Earth. Our obligation to survive is owed not just to ourselves but also to that Cosmos, ancient and vast, from which we spring." Carl Sagan, author of Cosmos.

THE STRATEGIC DEFENCE INITIATIVE

President Reagan's space weapons research program is growing as a backcloth to the resumed Geneva negotiations between

the United States and the Soviet Union. There is an emerging consensus that the most critical issue confronting arms control throughout the next decade is the trend, both in technologies and policy, towards strategic defence. Both the Soviet Union and the United States are engaged in substantial research efforts designed to identify, develop and assess various technologies - some "exotic", others more traditional - which would offer the prospect of deploying new ballistic missile defence (BMD) systems. In addition, the U.S. administration has officially expressed its desire to move away from the model of deterrence generally known as Mutual Assured Destruction. To this end, the five year program known as the Strategic Defence Initiative (SDI)has been initiated.

For arms control, the threat and challenge posed by these trends is both grave and complex. SDI represents an explicit and official challenge to the uneasy strategic compromise represented by the ABM Treaty of 1972. By challenging the strategic underpinnings of previous efforts, existing arms control agreements are being rendered vulnerable, and the shape of future accords made unclear.

The history of negotiations between the super powers illustrates a lengthy and difficult process, with previous agreements generally having taken years to achieve. The accomplishments of these agreements have, furthermore, been undermined on occasion by the introduction of new weapons systems developed during the negotiations and characterized as bargaining chips.

Proponents of a nuclear freeze have long argued that today's bargaining chips become tomorrow's deployed forces.

An example is provided by the MIRV, the multiple warhead, independently targetable re-entry vehicle, now recognized as extremely destabilizing and difficult to cope with in arms control negotiations. Henry Kissinger, in his White House memoirs, argued that MIRV testing did not create difficulties for SALT but in fact spurred it on. Later, however, he regretted his part in the MIRV process after seeing how committed to its deployment the military had become.

Will it fall to some figure in the current U.S. administration to see a different light or hear a different drummer in the future and voice regrets at having assisted in the inexorable process whereby today's Star Wars research became tomorrow's Star Wars weapons deployed in space. Can we in Canada afford to wait and see?

In some respects the 1972 ABM Treaty is vague and, unintentionally or otherwise, research programs on both sides will soon confront specific provisions of the Treaty. The unwanted collapse of the ABM regime may arise as much from incremental corrosion as from outright assault.

This and other issues suggests that careful study of SDI is warranted to determine the implications for arms control.

Canada and other members of the Atlantic Alliance have long regarded the ABM Treaty and the consensus it represents as central to the management of East-West strategic relations, both in terms of its concrete provisions and symbolic importance. A comprehensive examination of specific threats to that regime, together with issues to be resolved and options for agreement, would be extremely useful and should certainly precede any Canadian involvement in SDI research, to which we remain opposed.

Many Canadians recognize an imperative to act in opposition to further research that will accelerate the militarization of space. There is strong public support for the accepted proposition that Canada emphasize verification as a major contribution to the willingness of states to enter into arms control agreements, and beyond them towards disarmament.

Members of the Department of External Affairs Consultative Group on Disarmament have urged the Canadian government to promote verification not simply through technological research, but by sponsoring East-West work on the issue, perhaps beginning with the joint simulation of verifying an agreement on the mutual and balanced reduction of military forces in Europe.

However, verification is at this time heavily dependent on satellites in space, which are very much at risk in any scenario which involves the militarization of space.

Is there another focus which the Canadian government should seriously consider in the Star Wars debate?

Our starting point should be to accept that unarmed military satellites, on which the super powers rely for proof of, among other things, the state of development of new space weapons, are beneficial to both sides and to all of us.

The United States is engaging on Star Wars research now, with unusual fanfare. It is widely known, and should be better accepted, that the Soviet Union has been conducting such research for some time; both sides have to understand that a formal treaty protecting each others' satellites offers more in the way of security than the pursuit of a space-based technological arms race.

The goal of this race would appear to be the development of a weapons system, presumably laser-based, which, by its omnipotent destructive powers, could purge nuclear weapons from this threatened world of ours. Systems of this kind, were they to be achievable, would be immensely vulnerable, and counter-force technology is certainly pursued as hard as any other, and likely to be cheaper.

Space weapons will be enormously costly, and thus likely always to be outnumbered by the ground-based weapons. Missiles on land and at sea exist in great numbers and do not

appear to be subject to severe political constraints; it is not easy to believe that technology in space can dismantle them. It is easier to believe that technology in space can destabilize them.

Technology, in which the West has such a commanding edge in most areas of human concern, cannot solve the problem, but its active application in support of international legal and political constraints can help us disarm the weapons of mass destruction. Here then lies the possibility of a thrust by the Canadian government.

Strategic defence research can only be appropriate and stabilizing when the goal of rolling-back the nuclear tide has been more largely achieved than is the case today and other conditions are met. If the super powers had reduced their arsenals to smaller numbers, perhaps as suggested in the studies on the concept of Nuclear Winter popularized by Carl Sagan, then space related forces could be technologically feasible in terms of overcoming the nuclear missiles remaining.

This space force should be nothing more or less than a development of today's reconnaissance satellites, consisting of batteries of sensing vehicles able to collect and relay information. The information could be made available to non-nuclear weapons capable of intercepting their nuclear targets, and given the current promotion by France of an international satellite in-

spection system, and President Reagan's asserted willingness to share space technology with the Soviet Union, clearly this more modest space-related defensive system should be encouraged as a goal for the United Nations itself.

Canada, with its space technology and political commitment to verification and opposition to nuclear proliferation would be well placed to assume major research obligations, but only if the goal is the modest addition of technology to political pressure for a multilateral solution.

Should we focus our energies not on simply opposing Star Wars, but by putting it in the perspective, offering a way forward rather than simply denying one?

Before the installation of the present government, many Canadians held up as vitally important the theory, or threat, of Nuclear Winter, whereby only a fraction of today's nuclear weapons can destroy life on this planet. At that time, the super powers were anxious to cast doubts on the validity of the research. Now, most governments and the United Nations see the inescapable need for us to take Nuclear Winter seriously. We can in this illustration see the need for us to go forward with some grounds for optimism.

7. STRATEGIC DEFENCE, THE UNITED STATES, AND FREE TRADE

It has been suggested that President Reagan's multi-billion dollar Strategic Defence Research Programme will provide substantial economic benefits to Canada if this country participates. The CLC, already opposed to the militarization of space on a variety of grounds, can find no substantiation of the assertion that the SDI is of economic consequence to Canada.

We find ourselves in substantial agreement with the prestigious North-South Institute when it makes the point that "when compared with the magnitude and cost of R and D effort that could have been devoted to improving productivity and quality of life instead of the quality of weapons, whatever spin-offs occur pale in relation to the tremendous opportunities for progress that have been wasted".

Military spending is not the most productive form of public spending, even for an economy as great as the United States.

Our economy is, of course, closely integrated to that of the United States and an upsurge in economic activity has a ready impact in Canada.

It remains a truism, furthermore, that if the United States sneezes, Canada catches a cold.

We have, therefore, to closely monitor economic trends in the United States, and to ascertain carefully the tendencies of political authorities in that country towards decisions likely to effect our economy.

This we have had to do since U.S. President Grant told his Cabinet in 1870 that he was ready to "take Canada and wipe out her commerce".

He had his match in Sir John A. MacDonald's declaration, "I stand alone, fighting the battle of Canada".

In the early years of Confederation, sovereignty and commerce were linked in the battles over free trade.

Many Canadian politicians today have concluded that not only is U.S.-Canada free trade the one way our country can survive the cold winds of protectionism said to be hurriedly blowing through the U.S. Congress and Administration, but that free trade will in no-way impair the sovereignty which Sir John A. was determined to protect and nurture for posterity and our future.

Cognizant of the historical divisions over Canada-U.S. trade relations that can be traced to the early period of our nationhood, the government has been careful, until now, not to unequivocally support outright free trade. Nevertheless, there have been some signals which suggest it is moving cautiously but deliberately in that direction.

At a meeting with top U.S. business leaders in May 1985, the Minister for International Trade, James Kelleher, stated that "there appears to be a favouring by the Canadian people for a comprehensive trade arrangement".

The spectre of a comprehensive free trade arrangement between Canada and the United States immediately surfaces a number of critical questions ranging from our vulnerability to U.S. pressure for policy "harmonization" (especially in the fields of monetary and fiscal policy, economic development, resource extraction, deregulation, cultural development, international relations), control over foreign ownership and our perceived status in the world community as a political appendage of the U.S.

The CLC has published a major position paper on Free Trade which has tried to deal with some of the major repercussions of a comprehensive trade deal with the U.S. rather than a sector-by-sector analysis, for two reasons. First, because the present government appears to have abandoned the former Liberal government's focus on certain sectors. Second, because the factors that come to bear in different sectors are quite distinct. For example, the aerospace and urban transit industries are shaped by government procurement; the cross-border movement in lumber is already tariff-free; and, the terms of trade in the auto industry are dictated by the Auto Pact.

Certain conclusions from that paper are worth repeating here.

The emphasis in a free trade agreement with the U.S. will be less on tariffs than on the rights of governments on both sides of the border to use quotas, subsidies, government procurement policies, and so forth in pursuit of national economic objectives.

Free trade will involve a significant loss of jobs in the short term with no guarantees of either adequate adjustment support or a pay-off in long-term jobs.

Free trade will involve a significant loss of economic sovereignty. Part of the "deal" will be to abandon certain tools of national economic management and, in addition, a further loss of economic sovereignty will result from pressures to ensure that Canadian and U.S. competitors operate in a substantially similar tax and regulatory environment. The loss of economic sovereignty may jeopardize other elements of sovereignty.

There is a degree of opportunism in the drive for free trade and it is a contentious issue within the U.S. Thus, there are grounds for doubting the willingness and ability of the U.S. to live up to its end of a free trade deal over time. In the worst possible scenario, the Canadian economy would be restructured on the basis of a free trade deal that was later abandoned by the U.S.

From a labour viewpoint, trade policy should be a subordinate element in an actively interventionist economic policy. In the Canadian context trade policy should be dealt with on a sector-by-sector basis; it should be designed to reduce our overall dependence on foreign trade, and it should be designed to diversify Canada's trading partners.

Taken together, these conclusions severely undermine the alleged merits of free trade with the U.S. Fair trade based on active government participation and negotiation is a much more preferable option. It deserves a place on Canada's political agenda.

AN ALTERNATIVE TO FREE TRADE

The labour movement and the free traders approach trade issues from a very different vantage point. The free traders treat trade as just another area where the market should dictate the course of economic events. For the free traders, national economic management is a non-issue in principle; markets should be free to operate unfettered by government interference.

In contrast, the labour movement has never been convinced of market dependence to fairly distribute economic rewards nor has it been convinced that Canadian markets operate with textbook efficiency due to the high degrees of monopoly ownership and foreign control that characterize many Canadian markets.

As a result, national economic management has been an important issue for the labour movement: to create jobs; to ensure a fair distribution of income; to guarantee access to essential services; to ensure regionally balanced growth, etc.

As far as trade policy itself is concerned, the labour movement has treated it as a subordinate, albeit important, aspect of overall national economic policy. We have called for the use of mechanisms that govern trade (e.g., tariffs, quotas, procurement, etc.) in order to meet national economic objectives.

The framework for an alternative to free trade is founded on clear priorities, among them reducing our dependence on foreign trade in general, as a way of enhancing Canada's capacity for economic self-management; reducing our dependence on raw material exports in particular as a way of creating jobs; reversing our increasing economic interdependence with the U.S. by diversifying our trading partners; and, approaching trade issues on a sector-by-sector basis in view of the substantially different situations in various sectors of the economy.

A strategy of **planned** trade (alternatively referred to as **fair** trade or **managed** trade) combined with an overall economic policy designed to maximize the processing of our raw materials and to stimulate domestic consumption of Canadian goods and services, offers the best chance for achieving the twin goals of balanced domestic growth and trading relationships.

More specifically, this alternative involves securing the Canadian market for Canadian producers; using access to the Canadian market as a bargaining chip to get the multinationals to produce more in Canada; enhancing domestic content arrangements; in short, to emphasize more self-reliance and less dependence on the United States.

Measures to achieve these goals should be built around a few basic thrusts.

Canadian Content

Any company wishing to sell in the Canadian market goods which could be produced here, must make a commitment of a certain share of the jobs and investment in this country. This is essentially the safeguard built into the Auto Pact and it could be extended to many of the manufactured goods we now import such as high tech equipment, mining machinery, industrial machinery, tools and equipment.

Japan for example, has managed to negotiate co-production deals with its trading partners which require that at least 15 per cent of a product's value-added be Japanese and the result has been job creation.

Import Replacement

Our trade deficit in manufactured products was approximately $21 billion in 1983, which amounts to the loss of some 200,000 jobs. **A program to determine the domestic availability of goods being imported, and encouraging the production of those goods here in Canada should be implemented.** It would produce thousands of jobs for Canadian workers.

Domestic Procurement

All levels of government buy large amounts of goods and services, not all of which are Canadian. A 1979 study of federal and provincial purchasing indicated that 49 cents of every dollar spent on manufacturing products went out of the country. With a purchasing capacity of some $60 billion a year, **government switching these purchases to domestic sources would have a substantial impact.**

Industrial Offsets

Large scale resource projects provide room for Canada to bolster the domestic manufacturing sector (especially in areas that need diversification for longer term stability) by requiring that purchasing performance standards apply to firms awarded major contracts. New Canadian enterprises providing the equipment for the production of offshore oil for example would allow

Canada to develop technologies and products that will have application elsewhere in the world.

Research and Development

In the past ten years, 94 per cent of all the patents granted in Canada have gone to foreigners. Our level of research and development (R & D) is increasing, but is still well below the standard of the leaders in the industrialized world. This has been partly responsible for the steady decline of our secondary manufacturing industry. **A government commitment to more R & D would help to develop our technological competence and upgrade our domestic manufacturing capability.**

The approach and specific measures outlined above rest on the belief that a beneficial trade policy for Canada is basically an intelligent and planned industrial policy aimed at realizing a more mature, stable industrial base, providing jobs and decent incomes for Canadians. It derives from a commitment to conscious economic planning rather than the anarchism and dubious benefits of adhering to market signals alone, a policy which has failed for our own economy and for the international economic system. As the Green Paper tells us, the international economy is our economy.

8. THE INTERNATIONAL ECONOMIC SYSTEM

Though the United States will remain Canada's principal trading partner, and we theirs, our economic interests can only be secured through serious attention to the performance of the international economic system.

The CLC is an active participant in the Trade Union Advisory Committee to the Organization for Economic Co-operation and Development, and as such took part in a trade union delegation to meet with Chancellor Helmut Kohl immediately prior to the 1985 Bonn Summit.

The trade union emphasis was on jobs, the avoidance of protectionist trade wars, and the need to recognize the mutuality of interest between the industrialized and developing countries.

Though Canada should certainly continue to participate in the Summits, just as we will continue to do so in the accompanying Labour Summits, they have not achieved what was expected of them.

It remains, however, that the problems of the international economic system can only be overcome through the co-ordination which can come from the Summits and other dialogues.

This point was emphasized on behalf of the trade union movements of the seven countries by the CLC President when he addressed Prime Minister Trudeau as host for the 1981 Ottawa Summit.

"Since the London Summit, the trade union movements of the seven countries have sought to ensure that the Heads of Government took serious account of the need for internationally co-ordinated policies for employment and growth, to overcome recession, social and political tensions in our societies, and tensions between North and South.

At the London Summit, heads of government stated their resolve to embark on a strategy for full employment. Since then, subsequent affirmations have been less and less convincing, and in recent years monetarist policies have been taken up by the Summits.

For the Bonn Summit, the trade unions emphasized that the principal claim underlying our proposals was that the Summit meeting should finally act on programmes that governments have the last few years proclaimed.

In Tokyo we asked what would come after the all but admitted failures of the "locomotive" and "convoy" theories, and we urged that governments not give up but should analyse the reasons for failure and try again, shifting the focus if necessary. We called for recognition of the fact that the energy question underlies everything and is a source of major uncertainty. We call for labour market policies, public job creation, the creation of demand and capacity in the developing countries. We did not call for monetarism, protectionism, or defeatism.

For Venice, however, we had to emphazize that the downward trend of the world economy can be reversed by determined action in every country and by efficient economic international co-operation, with governments utilizing the whole range of economic tools which are at their disposal.

At Venice, the heads of government did not take heed of what we had to say, and all that was offered to us was a dialogue about cutbacks in living standards and jobs. This is a recipe for confrontation between governments and trade unions all over the world, and between countries of the North and South.

In Ottawa, we are calling on the Summit governments to abandon the restrictive monetarist policies which have been pursued with disastrous results. The alternative has to be policies to

promote full employment, price stability, investment and adequate growth simultaneously while coping with the energy crisis and technological change.

These things can only be achieved through co-ordination which can come from Summits, which is why we place so much importance on them.

The many millions of workers we represent are waiting for a sign that the Ottawa Summit will show that our continuing efforts have been worthwhile."

The Summits continue, and so do the major international economic problems.

One underlying reality for all of these is the great disparity of wealth between rich and poor countries, and proponents of a change in this reality have called for a new international economic order.

The basic premise of Canadian trade union policy towards the N.I.E.O. remains that it must not be geared to improving the life styles of corporate or governmental elites, in global corporations or developing countries. Rather it must bring employment, rising real living standards, and a fair distribution of income and wealth both within and between nations. If a brief statement of this goal had to be offered, it would be "economic security and social justice for all".

These words are taken from the first manifesto of the International Confederation of Free Trade Unions, to which the CLC and its forerunners have been affiliated since 1949. Though the aims of the ICFTU are international, they clearly have their origins in the national experiences, the struggles for economic security and social justice, of the affiliated national trade union centres in developed and developing countries.

Furthermore, it is difficult to avoid the conclusion that the amount of wealth, and thus of income, available for distribution

within the developing countries is artificially limited by the operation of international trade, investment, and monetary policies.

The new global distribution of wealth, among and within nations, which is clearly called for, will require many changes of institutions and behaviour. There will have to be reform of the world's trade arrangements, and positive action by Canada will be necessary.

Multilateral trade negotiations should be used to bring an end to the progression of duties by degree of processing, to encourage the growth of manufacturing industry in the Third World. The GATT Treaty should oblige governments to protect workers' interests, in countries such as Canada by anticipatory and positive adjustments, and in developing countries by the rigorous observance of fair labour standards.

Transfers of technology should be facilitated. The aim of technology importation being some form of industrialization, this should provide useful employment and not simply increase urbanization problems. It has to be made relevant to the needs of the rural poor.

A United Nations Code of Conduct has to legally bind the multinational corporations, for which there remain few alternatives as vehicles for technology and resource transfer.

We have, in the CLC, long been on record as fostering fair trade internationally. We are very concerned, now that such a great proportion of international trade consists of intra-company transactions, lest freer trade primarily benefits the multinational corporations. With respect to GATT, we do want "fair" trade, and, at the same time, have proposed that a Social Clause be added to the GATT Treaty.

This is concerned with the prevention of exploitation in the process of trade expansion. Our clause would have contracting parties recognizing that efforts for the promotion of world trade shall serve the purposes of full employment, social security, better levels of consumption, and the highest levels of accident prevention and health protection.

We want Canada to work for such an instrument.

We call for internationally co-ordinated manpower, regional, and industrial policies on the part of the Contracting Parties, who would be required to maintain full income and social benefits for displaced workers and to observe fair labour standards in practice, in declarations, conventions, and agreements.

A major way in which the needs of co-operation and supervision could be met is through the International Labour Organization, the standards of which are, of course, of paramount importance in the field of fair labour practices.

The ILO said, in its third world employment report, that good citizenship is in the interests of multinational companies as also is the creation of a climate of confidence where the rules are known in advance and strictly observed.

We have long been advocates of a Code of Conduct for Multinational Corporations, specific and legally binding to cover the need for disclosure of information, job protection for workers, and end to competition in incentives, a fund for the development of host country infra-structures, bans of price-fixing and deliberate underproduction, and proration of tax obligations.

The multinational corporations now clearly dominate world trade, the bulk of which is now a transaction between two parts of the same corporation, and for us, there can be no new international economic order without effective international control. This is clearly in the interests of Canada and the developing countries.

Aid, of course, is a less sensitive subject in Canada than the role of multinationals in sustaining, through exploitation, the comparative advantage of their off-shore as opposed to domestic operations.

No aid programme can really cope with the real issue in development, enabling peoples, not elites, to become producers, consumers, citizens, what have you, in their own societies built for their needs, unless it utilizes "people to people" instruments.

If we rely on bilateral aid, instead of aid through NGO's, will there be basic needs strategies, moves towards redistribution of land, indigenous industrial groth, and leadership ability at popular levels? If the Green Paper had attempted to ask this question, much less answer it, then some of the fears raised in its lack of critical treatment of foreign investment and comparative advantage would be allayed.

Many people have looked to labour movements for protectionism and have emphasized the possible difficulties in having industrialized country governments adopt a more positive approach towards developing countries.

We fully understand that our interests cannot be met at the expense of those workers in developing countries, and that our interests can be met if those of our fellow workers are also met and if the process involves us both.

In the late 1970's, the International Labour Office has shown, the impact of the oil-related recession would have been much harder were it not for the buying power of the developing countries coming to the rescue of the industrialized ones.

It is also clear to us that the world economy in the 1980's will be increasingly dominated by the fundamental changes which occurred in the 1970's.

Most industrialized countries, having enjoyed many years of rapid growth, low unemployment and modest inflation, found themselves grappling in the 1970's with intolerably high rates of both inflation and unemployment. Also, the more advanced of the developing countries began to emerge as a significant force in the world economy.

There is an underlying view, particularly among governments, that North-South economic relations are a "zero-sum game" in which gain by one side necessarily results in a loss by the other. A different view is that there is no conflict but rather an underlying harmony of interests between North and South which arises from the inter-dependence of their economies, and implies that co-operation between North and South can bring benefits to both. Recognition of this mutality is a pre-requisite for resolving the North-South deadlock, and for not only economic progress in the South but for progress in the North, and Canada needs to share in that progress.

A focus on the employment implications of trade, and trade policies in manufactured goods shows that mutality rather than conflict in North-South interests exists. However, achievement of this mutuality is not without cost and depends heavily on the pursuit of appropriate policies in both North and South.

Some two-thirds of all world trade takes place between the industrialized countries, reflecting the high degree of economic

integration which exists. North-South trade is considerably smaller, but is of great importance to both North and South.

A second link between the economics of North and South is provided by international financing. This is complex because capital funds flow from one country to another in many different forms and for many different purposes. There is official lending made by governments either directly, such as through CIDA, or through international organizations, such as the World Bank. There is private lending for profit carried out by financial institutions such as Banks. Canadian banks are active in this field. There is also private investment in which companies acquire the ownership or part-ownership of assets located in a foreign country. Lending gives rise to a debt to foreigners in the receiving country, while investment by foreigners in the country concerned does not.

Private and official lending in the past has led to a massive foreign debt in the South, equivalent to about one year's exports and essentially threatening to international security.

While increased borrowing obviously increases the South's dependence on the North, it has also increased the North's dependence on the South. The North has an increasing interest in the South's prosperity since the major deterioration threatens the security of the loans.

The South clearly regards the access to Northern markets of their exports of semi-processed and manufactured goods to be

unfairly restricted by the North's trade policies and the North, including Canada, does protect domestic industries. The South's demands are for a collective decision by the North to renounce this protection and to pursue more energetic adjustment assistance policies in their domestic economies in order to "make room" for the South's exports.

Whatever the reasons for the lack of progress, we believe that there is a pressing need for an improvement in North-South economic and political relations, and the initiative lies mainly, though by no means wholly, with the North. Along with the North's failure to respond adequately to its internal problems of inflation and unemployment, which is inevitable without co-operation with the South, increasing political polarization is a serious threat to world stability and it requires urgent action.

Imports from the South can explain only a tiny proportion of current levels of unemployment in the North. As the CLC has shown on other occasions in the case of Canada, the problem is much wider.

For the North as a whole, the fear of structural imbalance resulting from trade with the South would appear to be misplaced although the consequences for any individual country obviously depend very heavily on its particular circumstances. We in Canada must attend to these vigorously. This is true for both industrial policy planning, and for adjustment.

The expansion of Canadian trade with the South would necessitate a redeployment of workers both within sectors and between sectors, which strengthens the case for giving more attention to policies to facilitate this mobility and prevent the costs falling on individual workers.

There are real problems here which must not be minimized and this Brief can not deal with indirect employment effects in related industries and estimates both of jobs created by exports and jobs destroyed by imports.

We do know that the growth of manufactured exports strongly influences the growth of income in the South, and this in turn strongly influences the South's purchases from the North. What we do need is to see more of this feedback coming to Canada.

A complex and dynamic relationship exists between trade and growth policies in the North and South. As noted earlier, the South really helped the North during the recession of 1974-75; the buoyancy of their demand for the exports of the North was an important element pulling the North out of its recession. This was made possible by the willingness and ability of the South to greatly increase their indebtedness. This increase mainly took the form the private lending to middle income countries; the low income countries have suffered very badly because they are forced to depend on official sources of international lending which have increased relatively slowly.

Most of the private debt is owed by a small number of countries in the South who enjoy credit worthiness, based on sound growth prospects. For obvious reasons these countries are major purchasers of the North's exports.

As a consequence of heavy borrowing in the 1970's, these countries face liquidity problems, arising from debt maturities in the 1980's. If a combination of the North's slow growth and increased protection reduces their export prospects, their growth prospects may be seriously damaged, which would result in a drop in their purchases of capital equipment from the North. Short-sighted trade policies in the North could have a much greater destabilizing effect on the world economy than is commonly realized. Equally, the importance of maintaining and even improving the South's access to international capital and official financing is vital and clear.

The road to trade liberalization is not a one-way street. What reciprocal action can the South contribute? The special position of the South does not make reciprocity in the North-South trade negotiations either politically impossible or economically inappropriate or both.

Reciprocity provides an automatic sanction on a country which fails to implement a programme of tariff reductions as it simply forfeits the reciprocal concessions.

The GATT Articles, however, explicitly exempt the South from the reciprocity principle, and the maintenance by the South of high trade barriers is seen as essential.

It is vital in our view for Canada to expect some degree of reciprocity from some of the more advanced developing countries. Because they have now passed the "take-off" stage, their dependence on trade restrictions has diminished.

Because they are major exporters and importers, they have the most to gain, and also the most to offer. Apart from reducing unnecessarily the high barriers for their imports, these countries could make a useful contribution to trade liberalization by modifying their export promotion policies where legitimate fears of dumping are aroused. In view of the political importance of reciprocity in contributing to a sense of fair play, these questions deserve very serious consideration by all countries, but the most effective and desirable form of reciprocity will be to recognize fully international labour standards.

This is particularly important in those instances where newly industrialized countries in the Asia-Pacific rim are building export processing zones as a tribute to the violation of fair labour standards.

9. THE REGIONS

ASIA AND PACIFIC

The CLC is disappointed at the references contained in the Green Paper which rightly emphasize the "new trade and investment opportunities for Canada" in the region but fail to point out the potentially exploitative nature of such activity. In analysing the rapid growth of export processing zones (EPZ's) world-wide and particularly with respect to their development in many countries of the Asian and Pacific region, the CLC has joined an international campaign to expose the imposition of these zones as an attack on the basic right of workers to organize and as an extreme example of the exploitation of women workers. Prior to 1966 there were only two EPZ's in the developing world engaged in the production of manufactured goods for export, (one in Asia and one in Puerto Rico). By 1980 there were 52 such zones with nearly half of them operating in Asia. Some 70% of the total employment in Zones is in Asia, with the largest proportion found in Malaysia, South Korea and Taiwan. There is also a significant growth of EPZ's in the Philippines and Sri Lanka.

Asian EPZ's now employ in excess of 700,000 workers, the vast majority of whom are women under the age of 24 (some as young as 14), and who work in unorganized sweat shop conditions for wages which are most often below the national average. In the Asian and Pacific region EPZ's represent the very opposite of development. In

fact, they represent cheap labour, inhuman working conditions, gross exploitation of women and cultural traditions, the suppression or total prohibition of unions and a haven for multinational corporations wishing to avoid trade union organization in industrialized countries.

The CLC calls upon the Candian government to take appropriate steps to "condition" Canadian trade and investment in countries within the region which utilize EPZ's, ensuring that as a minimum workers employed in these Zones are guaranteed the fundamental trade union rights articulated in the standards of the International Labour Organization.

The CLC is also concerned about the growing political conflicts in those countries of the region which have failed to respond to the call for full human and trade union rights and democratic government. The CLC has worked closely with the international labour movement to expose gross violations of human and trade union rights in the Korean Peninsula, Kampuchea, the Philippines and Sri Lanka. In this last named Commonwealth country, intercommunal violence has claimed many lives and impeded socio-economic development. The CLC has, through the Commonwealth Trade Union Council, been able to bring together the communally based unions in Sri Lanka to disavow violence and work for national reconciliation. **The Canadian government, as a major provider of development assistance and as a leading member of the Commonwealth, should make every effort to assist the emergence of a peaceful solution to the problems of Sri Lanka.**

We have condemned the Soviet invasion and continued occupation of Afghanistan. **We call upon the Candian government to increase its pressure on the Soviet Union to withdraw its occupation forces from Afghanistan so as to permit that country to determine and follow a path of democratic government.**

On various occasions the CLC has made a case to the government of Canada for the incorporation of ILO labour standards into GATT agreements and we endorse the "basic needs" strategy as a basis for development assistance activities. Considering the phenomenal growth of foreign investment in the Asian and Pacific region in the past two decades and considering the growing tensions amongst peoples of the region resulting from the failure of this investment to stimulate development which improves the quality of life of working people, the CLC reiterates its position on trade and aid and reaffirms its commitment to assist workers in the region to organize and to become a part of the national development of their society.

THE MIDDLE EAST

The long years of valued association with the trade union movements of Israel, Egypt and Lebanon have given the CLC a strong sense of commitment to the need for an effective peace in the Middle East.

While we recognize that Canada is unlikely to play a decisive role in the Middle East, **we urge the government of Canada**

to exercise its influence to contribute to peaceful settlements of the conflicts within the region. In our view, peace has to be built on negotiations which reflect two sets of obligations. For their part, Arab countries and peoples must categorically accept Israel's right to exist and live within secure and recognized boundaries. For its part, Israel must honour the Camp David Accord, as it did in withdrawing from the Siniai, by recognizing the legitimate rights of the Palestinian people and their just requirements, which include a national homeland for the Palestinian people.

The CLC is also of the view that the hatred promoted by terrorist organizations, whether they be inspired on nationalist or fundamentalist religious grounds, is a major impediment in the way of the creation of peace in the region and the reation of a Palestinian homeland. It is also the view of the CLC that the establishment of an independent and sovereign government in Lebanon which is capable of preventing that country from being used to launch terrorist attacks against its neighbours, is a key to peace in the Middle East and though such a development now seems unlikely, **we urge the Canadian government to call for all foreign forces not sponsored by the United Nations to refrain from military or political involvement in Lebanon.**

AFRICA

The drought stricken regions of Africa, from the Sahel to Mozambique, continue to be a major concern of the CLC as with the

many organizations and ordinary Canadians who have responded to appeals for famine relief. **We encourage the Canadian government to continue its efforts with African governments and through Canadian non-governmental organizations to bring relief assistance to the peoples of the region. We also encourage the Canadian government to sponsor long term development projects in the region with a view to** preventing the effects of the drought and famine from spreading further.

Despite years of calling for an end to the Apartheid regime in South Africa and demanding a free and independent Namibia, the CLC notes that there has been no significant move by South African authorities in this direction and that the resulting frustrations are now bringing about a virtual bloodbath. The CLC also notes with considerable dismay that while the efforts of the Canadian government to influence Canadian investment in South Africa have been strengthened, they are almost completely ignored by the business community.

In the view of the CLC, efforts at persuasion through dialogue with the Apartheid regime in South Africa can only succeed when backed by economic sanctions, and **we urge the Canadian government to take strong and decisive action which would include enacting legislation to end Canadian investments not only in South Africa but also in Namibia which is still illegally occupied by South Africa.**

In the aftermath of a major Canadian contribution to Nassau, **the CLC also calls upon the Canadian government to intensify its efforts in the United Nations and through the Commonwealth to isolate the Apartheid South African regime and to bring about a free and independent Namibia.**

For some time, in its continuing efforts towards these same goals the CLC has worked closely with South African workers who are organized in genuine non-violent and non-racial trade unions inside the country sometimes with financial assistance from CIDA. We have played an active role at the international level through the ILO and other international agencies. In light of events of the past year we have increased our efforts to help defeat apartheid, support the goal of majority rule in South Africa, and support the goal of a free and independent Namibia with a great sense of urgency. **We call upon the Canadian government to pursue these goals as a priority in its international relations working with other, front line, Commonwealth states where possible.**

Through military intervention and the financing of dissident groups, South Africa has destabilized the countries of southern Africa to such an extent that almost all their development efforts are threatened. The peoples of Zimbabwe, Zambia, Mozambique, Angola and the other five states which make up the Southern Africa Development Co-ordinating Conference have tried to set in motion a series of projects to reorganize the economic infrastructure of the region and thus serve the needs of majority of the people.

The CLC in co-operation with the Commonwealth Trade Union Council has been providing support for the education efforts of the trade union movements in the SADCC countries. CIDA has provided financial aid to some of these projects. More Canadian support for trade union education geared to labour involvement in national development processes will be necessary for the countries of SADCC to build up their own capacity to run their economies. **The Canadian government should increase its commitment to supporting these efforts of SADCC countries in order to show them that Canadians are prepared to help in their time of need and beyond,** when the South African menace is resolved.

LATIN AMERICA AND THE CARIBBEAN

The CLC shares the view expressed in the Green Paper that in recent years there have been some encouraging developments in the political landscape in Latin America which are evidenced by the restoration of democratic government in Argentina and Brazil. After years of condemning the gross violation of human and trade union rights by the Argentinian military government during its reign of terror, at its 1984 Convention the CLC welcomed the restoration of democracy, congratulated the people of Argentina for their victory and declared our full support for the efforts of the democratically elected authorities to bring human rights violators to justice. Similarly, the CLC consistently condemned the institutionalized repression characteristic of the military regime in Brazil and has been proud to work with the combatative trade union movement in that

country in efforts to restore democracy and respect for human and trade union rights.

Despite these and other signals of a movement towards more democratic forms of government in South America, the CLC continues to be concerned about the lack of democracy in Paraguay, the fragile human rights situation in Peru and the brutal repression of fundamental human and trade union rights under the Pinochet dictatorship in Chile. On several ocasions the CLC has restated its position that any financial aid or credit from Canada to Pinochet's Chile is totally contrary to the basic democratic principles of Canada and that trade or corporate investments in Chile can only bolster the oppression of the Chilean people and must be vigorously condemned. As a bare minimum, **the Canadian government must ensure that no export permits be issued for Canadian exports to Chile of a military or paramilitary nature.** In stating that Latin America is an important and growing market for Canadian exports, (as it did in the Green Paper), **the Government of Canada must also recognize that commercial relations and bilateral financial assistance cannot be considered independently of the performance of governments vis-à-vis the internationally recognized norms of human and trade union rights.**

With regard to Central America, the CLC has long been aware that economic and political oppression throughout much of Central America makes change essential and inevitable and it is the repression of legitimate aspirations for such change which has made

the situation in Central America so volatile. We support the heroic struggle of Central American workers and their bona fide organizations for bread, peace and freedom. The CLC also favours the right to self-determination of sovereign states in the region while demanding full human and trade union rights for all Central American peoples.

To this end, we can only condemn military intervention in the region by the United States, Cuba, or any country. **We urge the Canadian government to actively oppose such interventionist policies** and we believe that **bilateral aid should be withheld from any country serving as a base for military intervention.** In our view, such policies will permit and encourage the Nicaraguan government to pursue its stated goals of establishing a pluralist democracy and permit the peaceful pursuit of economic and social justice within the region.

In supporting the call for negotiated settlements to conflicts in the region we share the view expressed in the Green Paper that the Contadora initiative offers the best prospect for overall peace. In our view, however, **for Contadora to be effective it must enjoy the active political support of Canada as well as endorsation and technical cooperation.**

Despite a tendency toward more democratic forms of government in Central America the human and trade union rights situation continues to be of serious concern to the CLC especially in El Salvador and Guatemala.

In the Commonwealth Caribbean, the CLC strongly condemned the brutal murder of the Prime Minister of Grenada, senior trade union leaders and others killed in the overthrow of the Bishop government. The CLC also strongly condemned the invasion of Grenada by forces from the United States and some Caribbean states and we demanded a withdrawal of those forces and the return to Grenada of democratic, civilian government. The CLC has dramatically increased its efforts to express its support for workers in the Caribbean region and we would urge the Canadian government to continue to search for ways to strengthen Canada's ties with the region, particularly through mechanisms which will lead to a growth in local employment opportunities.

10. INTERDEPENDENCE AND PUBLIC INVOLVEMENT

Almost ten years ago, eighteen international statesmen and leaders from many spheres and five continents, met in Bonn to begin work on what their Chairman, Willy Brandt referred to as a Plea for change: Peace, Justice, Jobs.

They included the then President of the CLC, and they were formally styled the Independent Commission on International Development issues.

Brandt was determined that his commission would move a step further than the Pearson Commission had found it possible to do a decade before.

When he presented the Report of his Commission, he argued that "The shaping of our common future is much too important to be left to governments and experts alone. Therefore, our appeal goes to youth, to women's and labour movements, to political, intellectual and religious leaders, to scientists and educators, to technicians and managers, to members of the rural and business communities. May they all try to understand and to conduct their affairs in the light of this new challenge".

We think we have understood, and have tried to emphasize the need for global action in an interdependent world, action to move us rapidly towards global social justice in all our interests.

Brandt saw that this would require a special awareness of human and trade union rights when he made the point that "Strong efforts should be made to further a growing recognition of human rights and the rights of labour and international conventions for protecting them".

The most important contribution that the trade union movement can make to the defence and promotion of human rights in general is through its continuous and tenacious efforts for the protection of trade union rights.

The rights of our organizations, be they concerning control over our internal activities, or be they concerning our international affiliations, and even our rights as trade unionists, were not given to us as an act of charity. They were won, and sometimes temporarily lost, in hard, continuous struggle.

They have been written in workers' blood, and they are indeed inalienable rights, and it is clear from the contemporary history of the trade union movement that unions are themselves the only real guarantee that the workers' interests will be defended and promoted.

Without strong unions, where will there be the predictable exercise of the workers' rights? Without strong unions where will there be the exercise of general and fundamental human rights? Where, then, democracy?

With the emergence, thirty six years ago, of the United Nations' Declaration of Human Rights, our basic trade union rights were enshrined as fundamental human rights with the international legal and moral authority of the United Nations.

Since that time, many of our rights have been enshrined in the Conventions of the International Labour Organization. They have become the core of international labour standards.

The free trade union movement has, throughout its history, proclaimed and defended the universality of these international standards, and it has not been put off by the sweet talk or outright bullying of the special pleaders. We have not accepted the arguments that there can be double standards in the area of workers' rights. There can be no excuses given to those who cite differences in political systems, social norms, or economic development.

It is not difficult to show how the rights set out in labour standards are under attack, not only in communist or right-wing dictatorships, but also in the democracies.

Here, too often we encounter governments blaming their unions for economic problems, or using their public sector unions as the scapegoat for the failure of public policy, especially in the economic field.

What a heart-breaking picture the recent report by the ILO Director-General on complaints about government abuse of Freedom of Association represents, with its chronicle of violations perpetrated against workers, their unions, and their rights. But a heartening side to all this is the vigorous expression of a concern to defend rights through the act of pursuing complaints.

The CLC has, as it happens, made a considerable contribution in this respect, and those complaints lodged with the ILO about Canadian laws by the CLC illustrate our point about the attack on public sector trade union rights.

What the cases reflect is an attempt to cripple trade unionism. We are convinced that many politicians, whatever the party label, see growth in trade unionism occurring, if at all, in the public sector. This they would like to stop. Also, they feel they can drive the wedge of division between the public sector and private sector unions.

This cannot be allowed to happen in any democratic country. Only where fundamental human rights are guaranteed and respected can free and independent trade unions exist to the full and carry on their task of representing workers.

To defend our rights, we have to look more and more to making the democratic political process work for us, instead of against us, as it has so often in recent times, and this means internationally as well as domestically.

We have often urged the government to limit, suspend, or terminate development aid to countries which flagrantly violate basic trade union rights.

We should all be aware of the way in which the military government of Surinam violated basic trade union rights in that country. The offices of our counterpart, De Moederbond, were burned down, its President, Cyrill Daal, brutally murdered.

We in the CLC quickly sought, and obtained from the then Secretary of State for External Affairs, an assurance that Canadian aid to Surinam would be stopped until trade union rights were once again respected in that country.

A small step perhaps, but one worth building on.

Many in government, or in its employ, are quick to disavow any linkage between human rights and official development assistance. Such simplicity does no justice to anyone.

The CLC clearly recognizes how complex the provision of aid is in reality, and proposals we have lodged with the government over the years attest to this.

The CLC was in the forefront of efforts leading to the adoption by the International Labour Organization of a Resolution which would see more aid being given to help countries build up

their administrative and supervisory processes to safeguard human rights in the employment field.

We have called for the exclusion of ideological considerations in the operating decisions of the international financial institutions.

We have proposed that **people to people aid be emphasized by our government,** which has many willing Canadian "partners in development", particularly in those instances where government to government aid can strengthen a repressive regime.

Whatever the mix of approaches, it is clear that **the case for stepping up official development assistance is overwhelming.** The North, the western industrialized countries as a whole, has met barely half the low target it set at the beginning of the 1970's.

The Canadian experience has been one of revising targets and re-scheduling dates of achievement. However, even at the low rates of economic growth we in the North have become accustomed to, a doubling of development assistance would require only a small part of our collective annual increase in wealth.

For the low-income countries of the South, more and more seen by CIDA as the poorest of the poor, this could literally mean the difference between life and death for many millions of people. Dead people do not buy, but living ones can do so, and increased

prosperity in the South adds to the demand for exports from the North, including Canada.

Death in the sun is not, however, solely a matter of malnutrition or susceptibility to disease. Millions have died in the developing countries as a result of war.

A major focus of Canada's international relations must be the continual provision of assistance and good offices to those who can bring these wars to an end.

The Green Paper, in its call for a system based on international law and support for the United Nations, shares this concern and its reiteration of the promotion of peace in the nuclear age as a constant, consistent and dominant theme of Canadian foreign policy is heartening.

Countless Canadians in the labour movement, and throughout our society, will no doubt impress on this Parliamentary Committee their hopes for the elevation of this theme to continued action for peace.

They will no doubt act themselves as well as urging action on their parliamentarians and government.

It is this quality which sets Canada and other democracies apart, and in fashioning directions for Canada's international rela-

tions, it has to be understood that as in the other democracies, Canada owes its strength and vitality to the various ways in which our people contribute to public life. The government carries a major responsibility to the people of Canada which can only be met by encouraging greater popular input into the making of foreign policy and the conduct of international relations.

Thus will the democratic ideals and values of Canada be more accurately reflected and enhanced.

A pre-requisite is for the government and its international relations bureaucracy to listen to and work with individuals, groups and associations making up our society.

The Green Paper served a fundamental purpose in offering a focus for the Parliamentary hearings. These hearings should, in our view, play their part by ensuring that this process is a step towards the goal of varied and continuing public input, rather than an end in itself.